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**ASCENSION PARISH CLERK OF COURT**

**FINANCIAL STATEMENTS**

**JUNE 30, 2013**

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**ASCENSION PARISH CLERK OF COURT**

**FINANCIAL STATEMENTS**

**JUNE 30, 2013**

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**INDEPENDENT AUDITORS' REPORT**

Honorable Kermit A. Bourque of Ascension Parish Clerk of Court  
Gonzales, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Ascension Parish Clerk of Court (the Clerk), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the Ascension Parish Clerk of Court, as of June 30, 2013, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the schedule of Funding Progress for Other Post-Employment Benefit Plans on pages 3 through 8, 27 and 28, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2013 on our consideration of the Ascension Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ascension Clerk of Court's internal control over financial reporting.

*Postlithwaite & Netterville*

Gonzales, Louisiana  
October 22, 2013

## **ASCENSION PARISH CLERK OF COURT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2013**

This section of Ascension Parish Clerk of Court's annual financial report presents our discussion and analysis of the Clerk's financial performance during the fiscal year that ended on June 30, 2013. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information (where available).

#### **NEW ACCOUNTING PRONOUNCEMENT IMPLEMENTED**

The Clerk implemented Governmental Accounting Standards Board (GASB) Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position for the year ended June 30, 2013. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The reader will note a change in terminology from "net assets to net position".

#### **FINANCIAL HIGHLIGHTS**

- The Clerk's total net position increased by \$318,834 over the course of this year's operations.
- During the year, the Clerk's expenses were \$3,964,862.
- Expenses for the year decreased by \$360,100 or 8.3 percent.
- Current year revenues increased compared to prior year by 2.4 percent to \$4,283,696.
- The general fund reported fund balance of \$7,016,044, an increase of 7.9 percent from last year.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts—management's discussion and analysis (this section), the financial statements, and required supplementary information. The financial statements include two kinds of statements that present different views of the Clerk:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Clerk's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Clerk's government, reporting the Clerk's operations in more detail than the government-wide statements.
  - The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
  - Fiduciary fund statements provide information about the financial relationships in which the Clerk acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Clerk's financial statements, including the portion of the Clerk's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

**ASCENSION PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**Figure A-1**  
**Major Features of the Clerk's Government-wide and Fund Financial Statements**

	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire Clerk government (except fiduciary funds)	The activities of the Clerk that are not proprietary or fiduciary, such as general government	Instances in which the Clerk is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balance</li> </ul>	<ul style="list-style-type: none"> <li>• Statements of fiduciary net position</li> </ul>
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Clerk's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payments is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid.

## **ASCENSION PARISH CLERK OF COURT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2013**

#### **Government-wide Statements**

The government-wide statements report information about the Clerk as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Clerk's net position and how they have changed. Net position—the difference between the Clerk's assets and liabilities—is one way to measure the Clerk's financial health, or position.

- Over time, increases or decreases in the Clerk's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Clerk you need to consider additional nonfinancial factors such as the growth of Ascension Parish.

The government-wide financial statements of the Clerk include:

- Governmental activities—most of the Clerk's basic services are included here, such as personal services and benefits, and operating activities. Charges for services such as, recording, suits, certified copies, and criminal fees finance most of these activities.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Clerk's most significant funds—not the Clerk as a whole. Funds are accounting devices that the Clerk uses to keep track of specific sources of funding and spending for particular purposes.

The Clerk has two kinds of funds:

- Governmental funds—Most of the Clerk's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The Clerk's operations are accounted for in the General Fund.
- Fiduciary funds—These funds are used as depositories for suits. Disbursements from these funds are made to various litigants in suits, in the manner prescribed by law. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. We exclude these activities from the Clerk's government-wide financial statements because the Clerk cannot use these assets to finance its operations.



**ASCENSION PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**FINANCIAL ANALYSIS OF THE CLERK AS A WHOLE**

**Net position.** The Clerk's net position increased between fiscal years 2013 and 2012 to approximately \$6.6 million. (See Table A-1.)

**Table A-1**  
**Clerk's Net position**

	Governmental Activities	
	<b>2013</b>	<b>2012</b>
Current and other assets	\$ 7,127,225	\$6,668,847
Capital assets	240,314	243,488
<b>Total assets</b>	<b>7,367,539</b>	<b>6,912,335</b>
Current liabilities	111,181	167,253
Long term Liabilities	698,674	506,232
<b>Total liabilities</b>	<b>809,855</b>	<b>673,485</b>
Net position		
Invested in capital assets, net of related debt	240,314	243,488
Unrestricted	6,317,370	5,995,362
<b>Total net position</b>	<b>\$6,557,684</b>	<b>\$6,238,850</b>

**Changes in net position.** The Clerk's total revenues increased 2.4 percent. (See Table A-2.) Approximately 97 percent of the Clerk's revenue come from charges for services. The remaining 3 percent is comprised of interest income/loss on investments and miscellaneous fees.

The total cost of all programs and services decreased approximately \$360,100 or 8.3 percent. The Clerk's expenses are covered by all services performed by its office.

**ASCENSION PARISH CLERK OF COURT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2013**

**Governmental Activities**

Revenues for the Clerk's governmental activities increased 2.4 percent to \$4.2 million while total expenses decreased by 8.3 percent to \$3.9 million. (See table A-2)

**Table A-2  
Changes in Clerk's Net position**

	<b>Governmental Activities</b>	
	<b>2013</b>	<b>2012</b>
<b>Revenues</b>		
Program revenues		
Charges for services	<b>\$4,140,254</b>	<b>\$4,074,668</b>
General revenues		
Miscellaneous	176,143	53,933
Interest income/loss on investments	(32,701)	54,903
<b>Total revenues</b>	<b>4,283,696</b>	<b>4,183,474</b>
<b>Expenses</b>		
Personal services and benefits	3,077,250	3,117,223
Other operating	887,612	1,207,739
<b>Total expenses</b>	<b>3,964,862</b>	<b>4,324,962</b>
<b>Increase (decrease) in net position</b>	<b>\$ 318,834</b>	<b>\$ (141,488)</b>

**FINANCIAL ANALYSIS OF THE CLERK'S FUNDS**

As the Clerk completed the year, its governmental funds reported a fund balance of \$7,016,044, an increase from last year of \$514,450.

**General Fund Budgetary Highlights**

Over the course of the year, there were not any amendments to the general fund budget.

**ASCENSION PARISH CLERK OF COURT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2013**

**CAPITAL ASSETS**

At the end of 2013, the Clerk had invested \$240,314 in capital assets. (See Table A-3.)

**Table A-3**  
**Clerk's Capital Assets**  
(net of depreciation)

	<b><u>Governmental Activities</u></b>	
	<b><u>2013</u></b>	<b><u>2012</u></b>
Equipment	\$ 198,814	\$ 215,117
Vehicles	21,127	28,371
Construction in Progress	20,373	-
<b>Total</b>	<b><u>\$240,314</u></b>	<b><u>\$243,488</u></b>

This year's major capital assets additions include:

- Purchase of office equipment and computers totaling \$64,664.
- Construction in progress includes costs to date of a new phone system conversion.

This year's major capital disposals include:

- The disposal of the office computers, monitors, and printers totaling \$51,709.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Clerk is dependent on charges for services for 97 percent of its revenues. The economy is not expected to generate any significant growth. Therefore, the Clerk's future revenues are expected to remain relatively consistent with current years. The budget for the 2014 year is approximately the same as the year 2013's budget.

**CONTACTING THE CLERK'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Clerk's finances and to demonstrate the Clerk's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Ascension Parish Clerk's Office, 815 E. Worthey, Gonzales, LA 70737.

**ASCENSION PARISH CLERK OF COURT**

**STATEMENT OF NET POSITION**

**JUNE 30, 2013**

**ASSETS**

Cash	\$ 5,061,537
Investments	1,968,234
Receivables	97,454
Capital assets, net of accumulated depreciation	<u>240,314</u>
 TOTAL ASSETS	 <u>\$ 7,367,539</u>

**LIABILITIES AND NET POSITION**

**LIABILITIES**

Accounts payable	\$ 79,242
Due to other funds	20,253
Accrued liabilities	<u>11,686</u>
Total current liabilities	<u>111,181</u>

**LONG-TERM LIABILITIES**

Compensated absences payable:	
Due within one year	2,430
Due in more than one year	74,212
Other post employment benefit liability	<u>622,032</u>
Total long-term liabilities	<u>698,674</u>

TOTAL LIABILITIES	<u>809,855</u>
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**NET POSITION**

Invested in capital assets	240,314
Unrestricted	<u>6,394,012</u>
 TOTAL NET POSITION	 <u>\$ 6,557,684</u>

The accompanying notes are an integral part of this financial statement.

**ASCENSION PARISH CLERK OF COURT**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Expenses</u>	<u>Program Revenues</u>  <u>Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Unit</u>
<b><u>FUNCTIONS/PROGRAMS</u></b>			
Governmental activities:			
General government	\$ 3,964,862	\$ 4,140,254	\$ 175,392
Total governmental activities	<u>\$ 3,964,862</u>	<u>\$ 4,140,254</u>	<u>175,392</u>
General Revenues:			
Miscellaneous			176,143
Interest/(loss) on investmen			<u>(32,701)</u>
Total general revenues			<u>143,442</u>
Change in net position			318,834
Net position - July 1, 2012			<u>6,238,850</u>
Net position - June 30, 2013			<u><u>\$ 6,557,684</u></u>

The accompanying notes are an integral part of this financial statement.

**ASCENSION PARISH CLERK OF COURT**

**BALANCE SHEET**  
**GOVERNMENTAL FUND**  
**JUNE 30, 2013**

**ASSETS**

Cash	\$ 5,061,537
Investments	1,968,234
Accounts receivable	96,501
Accrued interest	<u>953</u>
<b>Total assets</b>	<b><u><u>\$ 7,127,225</u></u></b>

**LIABILITIES AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 79,242
Due to other funds	20,253
Accrued liabilities	<u>11,686</u>
 Total liabilities	 <u>111,181</u>
 Fund balance	
Unassigned	<u>7,016,044</u>
 Total fund balance	 <u>7,016,044</u>
 <b>Total liabilities and         fund balance</b>	  <b><u><u>\$ 7,127,225</u></u></b>

The accompanying notes are an integral part of this statement.

**ASCENSION PARISH CLERK OF COURT**

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

Total fund balances - Governmental Fund		\$ 7,016,044
Cost of capital assets at June 30, 2013	1,157,228	
Less: accumulated depreciation as of June 30, 2013	<u>(916,914)</u>	240,314
Less: Long-term liabilities at June 30, 2013		
Other post employment benefit		(622,032)
Compensated absences payable		<u>(76,642)</u>
Total net position at June 30, 2013 - Governmental Activities		<u><u>\$ 6,557,684</u></u>

The accompanying notes are an integral part of this financial statement.

**ASCENSION PARISH CLERK OF COURT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUND**  
**YEAR ENDED JUNE 30, 2013**

**REVENUES**

Certified copies	\$ 262,625
Criminal fees	315,713
Recording	1,721,735
Suits	1,709,911
Court attendance	20,520
Miscellaneous	176,143
Internet Access	109,750
Interest income/(loss) on investment	<u>(32,701)</u>
Total Revenues	<u>4,283,696</u>

**EXPENDITURES**

Current:

Personal services and benefits	3,077,250
Operating	606,959
Capital outlay	<u>85,037</u>
Total Expenditures	<u>3,769,246</u>

Excess of Revenues over Expenditures	514,450
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Fund Balance, July 1, 2012	<u>6,501,594</u>
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Fund Balance, June 30, 2013	<u><u>\$ 7,016,044</u></u>
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The accompanying notes are an integral part of this statement.



**ASCENSION PARISH CLERK OF COURT**  
**RECONCILIATION OF THE GOVERNMENTAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**JUNE 30, 2013**

Excess of Revenues and Other Sources	
Over Expenditures and Other Uses	\$ 514,450
Capital Assets:	
Capital outlay capitalized	85,037
Depreciation expense for year ended June 30, 2013	(87,374)
Loss on disposal of equipment	(837)
Other post employment benefits	(197,380)
Add: Excess of compensated absences used over compensated absences earned	<u>4,938</u>
Change in Net Position - Governmental Activities	<u><u>\$ 318,834</u></u>

The accompanying notes are an integral part of this financial statement.

**ASCENSION PARISH CLERK OF COURT**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

**JUNE 30, 2013**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 6,664,571
Investments	972,606
Due from general fund	<u>20,253</u>
Total Assets	<u><u>\$ 7,657,430</u></u>
 <b>LIABILITIES</b>	
Unsettled deposits	<u>\$ 7,657,430</u>
Total Liabilities	<u><u>\$ 7,657,430</u></u>

The accompanying notes are an integral part of this financial statement.

**ASCENSION PARISH CLERK OF COURT**  
**NOTES TO THE FINANCIAL STATEMENTS**

**INTRODUCTION**

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public; the recorder of conveyances, mortgages, and other acts; and has other duties and powers provided by law. The clerk of court is elected to a four-year term.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying financial statements of the Ascension Parish Clerk of Court have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. FUND ACCOUNTING**

The Clerk uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain clerk functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**Governmental Funds**

Governmental funds account for most of the Clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court. The following is the clerk's governmental fund:

**General Fund**

The General fund is the primary operating fund of the Clerk. It is used to account for all financial resources except those required to be accounted for in other funds. The General fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to clerk policy.

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The only funds accounted for in this category by the clerk are agency funds. The agency funds are used to account for assets held by the Clerk as an agent for litigants held pending court action. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting. The following agency funds are utilized by the Clerk of Court:

- The Advance Deposit Fund- provided for under LRS 13:842, is used to account for advance deposits in suits filed by litigants.
- The Registry of Court Fund- provided by LRS 13:475, is used to account for funds held by order of the court until judgment is rendered by the judiciary.

## **ASCENSION PARISH CLERK OF COURT**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS**

###### **GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS):**

The statement of net position and the statement of activities display information about the primary government (the Clerk). These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange transactions. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

The GWFS and fiduciary fund statements are reported using the economic resources measurement focus. The government wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Clerk gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

###### **FUND FINANCIAL STATEMENTS (FFS):**

The amounts reflected in the General Fund are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in net fund balances reports on the sources (i.e., revenues and other financing resources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of clerk operations.

The fund financial statements provide information about the Clerk's funds, including its fiduciary funds. Separate statements for each fund category- governmental and fiduciary- are presented. The emphasis of fund financial statements is on major governmental funds. The General Fund is the Clerk's only major governmental fund.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Clerk considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Copies, fees, recording, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital asset acquisitions are reported as expenditures in governmental funds.

## ASCENSION PARISH CLERK OF COURT

### NOTES TO THE FINANCIAL STATEMENTS

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **D. REPORTING ENTITY**

For financial reporting purposes, the Clerk's basic financial statements include all funds that are controlled by the Clerk as an independently elected Parish official. As an independently elected official, the Clerk is solely responsible for the operations of his office. Fiscally independent means that the Clerk may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Clerk also has no component units as other legally separate organizations for which the Clerk is financially accountable. There are no other primary governments with which the Clerk has a significant relationship. Accordingly, the Clerk is a primary government for reporting purposes. The criteria for including organizations as component units within the Clerk's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include items such as whether the organization is legally separate.

##### **E. CAPITAL ASSETS**

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated fixed assets are recorded at their estimated fair value at the date of donation. The clerk maintains a threshold of \$250 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Since surplus assets are sold for an immaterial amount when declared no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	5
Equipment	5-10

##### **F. BUDGETS AND BUDGETARY ACCOUNTING**

The Clerk follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 15, the Clerk completes and submits for public inspection an operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing those expenditures.
2. Formal budgetary integration is employed as a management control device during the year for the General Fund.
3. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. Budgeted amounts are as originally adopted, or as amended by the Clerk. Individual amendments were not material in relation to the original appropriations.

**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. BUDGETS AND BUDGETARY ACCOUNTING (continued)**

5. All annual appropriations lapse at fiscal year end.

**G. COMPENSATED ABSENCES**

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

**H. CASH AND CASH EQUIVALENTS**

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of three months or less are cash equivalents.

**I. INVESTMENTS**

The Ascension Parish Clerk of Court may invest in U.S. government securities, debentures, and other allowable obligations issued or guaranteed by federal agencies provided such obligations are backed by the full faith and credit of the United States of America. Investments are stated at fair value. Fair value was determined using quoted market prices.

Investment income includes interest earned and unrealized gains and losses (changes in fair value).

**J. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**K. RECENTLY ISSUED ACCOUNTING PRINCIPLES**

In June 2011, the GASB issued Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The Clerk adopted GASB Statement 63 in 2013.

## **ASCENSION PARISH CLERK OF COURT**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **L. RESTRICTED NET POSITION**

For the government-wide statement of net position, net position are reported as restricted when constraints placed on net position use either:

Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

##### **M. FUND EQUITY OF FUND FINANCIAL STATEMENTS**

Accounting standards require governmental fund balances to be reported in as many as five classifications as listed below:

**Nonspendable-** represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

**Restricted-** represents balances where constraints have been established by parties outside the Clerk's office or imposed by law through constitutional provisions or enabling legislation.

**Committed-** represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Clerk's highest level of decision-making authority.

**Assigned-** represents balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned-** represents balances that have not been assigned to other funds and that have not been restricted, committed, or assigned to be specific purposes within the general fund.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Clerk's office reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for committed, assigned, and unassigned amounts are available, the Clerk's office reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. CASH AND CERTIFICATES OF DEPOSIT**

At June 30, 2013, the Clerk had cash and certificates of deposit totaling \$ 11,726,108 as follows:

	<u>General Fund</u>	<u>Agency Funds</u>
Demand Deposit	\$ 4,561,537	\$ 5,664,571
Certificates of Deposit	500,000	1,000,000
Total	<u>\$ 5,061,537</u>	<u>\$ 6,664,571</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013, the Clerk's bank balance was secured from risk by federal deposit insurance and pledged securities and was not exposed to custodial credit risk.

**3. INVESTMENTS**

As of June 30, 2013, the Clerk had the following investments and maturities:

<b>INVESTMENT MATURITIES (IN YEARS)</b>			
<b><u>Investment Type</u></b>	<b><u>Fair Value</u></b>	<b><u>Less Than 1</u></b>	<b><u>1-5</u></b>
<b>General Fund</b>			
U.S. Agencies	\$ 1,968,234	\$ -	\$ 1,968,234
<b>Agency Fund</b>			
U.S. Agencies	972,606	-	972,606
Total	<u>\$ 2,940,840</u>	<u>\$ -</u>	<u>\$ 2,940,840</u>

**Interest Rate Risk-** The Clerk's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk-** Under Louisiana R.S. 33:2955, as amended, the Clerk may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The Clerk's investment policy does not further limit its investment choices. As of June 30, 2013, the Board's investments in U.S. Agencies were rated AAA by Moody's Investors Service and AA+ by Standard & Poor's.

**Concentration of Credit Risk-** The Clerk's investment policy does not limit the amount the Clerk may invest in any one issuer. More than 5 percent of the Board's investments are in Federal National Mortgage Association and Federal Farm Credit Bank. These investments are 33.54% and 66.46% of total investments, respectively.



**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**3. INVESTMENTS (continued)**

At June 30, 2013, interest income/loss on investment accounts consists of the following:

Interest income	\$ 39,357
Change in Market Value	<u>( 72,058)</u>
	<u>\$ ( 32,701)</u>

**4. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2013, are as follows:

	<u>Vehicles</u>	<u>Equipment</u>	<u>Construction In Progress</u>	<u>Total</u>
Cost of Capital				
Assets June 30, 2012	\$ 36,220	\$1,087,680	\$ -	\$ 1,123,900
Additions	-	64,664	20,373	85,037
Deletions	-	<u>(51,709)</u>	-	<u>( 51,709)</u>
Costs of Capital Assets, June 30, 2013	<u>\$ 36,220</u>	<u>\$1,100,635</u>	<u>\$ 20,373</u>	<u>\$ 1,157,228</u>
Accumulated depreciation, June 30, 2012	\$ 7,849	\$ 872,563	\$ -	\$ 880,412
Additions	7,244	80,130	-	87,374
Deletions	-	<u>(50,872)</u>	-	<u>( 50,872)</u>
Accumulated depreciation, June 30, 2013	<u>15,093</u>	<u>901,821</u>	<u>-</u>	<u>916,914</u>
Capital assets, net of accumulated depreciation, June 30, 2013	<u>\$ 21,127</u>	<u>\$ 198,814</u>	<u>\$ 20,373</u>	<u>\$ 240,314</u>

For the year ended June 30, 2013, depreciation expense was \$87,374.

**5. DEFINED BENEFITS PENSION PLAN**

**Plan Description**

Substantially all employees of the Ascension Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

**ASCENSION PARISH CLERK OF COURT**  
**NOTES TO THE FINANCIAL STATEMENTS**

**5. DEFINED BENEFITS PENSION PLAN (continued)**

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 10202 Jefferson Hwy, Bldg. A, Baton Rouge, LA 70809, or by calling (225) 293-1162.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Ascension Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 17.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Ascension Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Ascension Parish Clerk of Court's contributions to the System for the years ending June 30, 2013, 2012, and 2011 were \$331,040, \$326,963, and \$311,888; respectively, equal to the required contributions for each year.

**6. DEFERRED COMPENSATION PLAN**

The Clerk adopted an (IRC) 457 deferred compensation plan effective February 1, 2001. The plan covers all full time employees. The Clerk matches up to 10 percent of employee contributions. The Clerk's contributions for the years ending June 30, 2013 and 2012 were \$139,182 and \$146,910, respectively.

**7. EXCESS FUND BALANCE**

Louisiana Revised Statute 13:785 requires that every four years (at the expiration of the term of office) the Clerk must pay the parish treasurer any balance in the Clerk's salary fund which exceeds one-half of the revenues of the last year of the term, which amount shall be limited to not more than that which was received by the clerk in accordance with R.S. 13:784(A) during said term of office. The Parish Council has not provided any direct funding to the Clerk under statute R.S. 13:784 (A). At June 30, 2013, there was no amount due the parish treasurer.

**8. CHANGES IN LONG -TERM LIABILITIES**

The following is a summary of long-term debt transactions of the Clerk for the year ended June 30, 2013:

	<u>Compensated Absences</u>	<u>OPEB</u>
Long term obligations payable at July 1, 2012	\$ 81,580	\$ 424,652
Additions	10,884	241,779
Deletions	<u>(15,822)</u>	<u>(44,399)</u>
Long term obligations payable at June 30, 2013	<u>\$ 76,642</u>	<u>\$ 622,032</u>

**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Plan Description**

The Clerk's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerks of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerks of Court Association.

**Funding Policy**

The contribution requirements of plan members and the Clerk are established and may be amended by the LCCIT board of trustees. Retirees are required to pay 50% of the premium charged by the LCCA for retirees and 50% for their dependents. The Clerk contributes 50% of the cost of the current year premiums for eligible retired plan members and 50% of the cost for retired plan members' spouses and dependent children. During the year ended June 30, 2013 the Clerk contributed \$44,399 to the plan and the retirees contributed \$36,667.

**Annual OPEB Cost and Net OPEB Obligation**

For 2013, the Clerk's annual other postemployment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Clerk's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

Annual Required Contribution	\$ 241,356
Interest on Net OPEB Obligation	15,143
Adjustment to Annual Required Contribution	<u>(22,729)</u>
Annual OPEB Cost (Expense)	233,770
Contributions Made	(44,399)
Prior Year Adjustment to beginning Net OPEB Obligation	<u>8,009</u>
Increase in Net OPEB Obligation	197,380
Net OPEB Obligation – beginning of year	<u>424,652</u>
Net OPEB Obligation – end of year	<u><u>\$ 622,032</u></u>

The Clerk's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2013 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2013	\$ 233,771	19.0%	\$ 622,032
6/30/2012	\$ 158,404	15.2%	\$ 424,652

**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**9. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)**

**Funded Status and Funding Progress**

As of June 30, 2013, the actuarial accrued liability for benefits was \$2,475,065, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,934,595, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 127.9%.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funding status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits as follows:

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
6/30/2012	\$ 0	\$2,130,685	2,130,685	0.0%	\$1,759,027	121.1%
6/30/2013	\$ 0	\$2,475,065	2,475,065	0.0%	1,934,595	127.9%

**Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the unit credit cost method was used. Based on the Clerk's short-term investment portfolio, a discount rate of 3.5% was used. In addition, the actuarial assumptions included an annual healthcare cost trend rate of 9% initially, reduced by decrements to an ultimate rate of 5.5% after 15 years. The Clerk's unfunded actuarial liability is being amortized on a level dollar, open basis over 30 years.

**ASCENSION PARISH CLERK OF COURT**

**NOTES TO THE FINANCIAL STATEMENTS**

**10. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH COUNCIL**

The Parish Council pays for expenditures associated with court house where the clerk maintains an office. These expenses are not included in the accompanying financial statements.

**11. RISK MANAGEMENT**

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk purchased a commercial insurance policy to satisfy claims related to general liability, automobile liability, property and casualty, employee health and accident, and errors and omissions.

**12. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date the financial statements were available to be issued, October 22, 2013, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**ASCENSION PARISH CLERK OF COURT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual
<b><u>REVENUES</u></b>			
Certified copies	\$ 225,000	\$ 225,000	\$ 262,625
Criminal fees	365,000	365,000	315,713
Recording	1,389,000	1,389,000	1,721,735
Suits	1,775,000	1,775,000	1,709,911
Court attendance	22,000	22,000	20,520
Miscellaneous	52,000	52,000	176,143
Interest income/(loss) on investments	59,000	59,000	(32,701)
Internet Access	85,000	85,000	109,750
	<u>3,972,000</u>	<u>3,972,000</u>	<u>4,283,696</u>
<b><u>EXPENDITURES</u></b>			
Current:			
Personal services and benefits	3,125,868	3,125,868	3,077,250
Operating	654,000	654,000	606,959
Capital outlay	62,500	62,500	85,037
	<u>3,842,368</u>	<u>3,842,368</u>	<u>3,769,246</u>
Total Expenditures	<u>3,842,368</u>	<u>3,842,368</u>	<u>3,769,246</u>
Excess of Revenues over Expenditures	129,632	129,632	514,450
Fund Balance, July 1, 2012	<u>6,501,594</u>	<u>6,501,594</u>	<u>6,501,594</u>
Fund Balance, June 30, 2013	<u><u>\$ 6,631,226</u></u>	<u><u>\$ 6,631,226</u></u>	<u><u>\$ 7,016,044</u></u>

**ASCENSION PARISH CLERK OF COURT**

**SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFIT PLAN**

**June 30, 2013**

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial Value of Assets</u>	<u>(b) Actuarial Accrued Liability (AAL)</u>	<u>(b-a) Unfunded AAL (UAAL)</u>	<u>(a/b) Funded Ratio</u>	<u>(c) Covered Payroll</u>	<u>((b-a)/c) UAAL as a Percentage of Covered Payroll</u>
6/30/2011	-	\$ 2,130,685	\$ 2,130,685	0.0%	\$ 1,797,244	118.6%
6/30/2012	-	\$ 2,130,685	\$ 2,130,685	0.0%	\$ 1,759,027	121.1%
6/30/2013	-	\$ 2,475,065	\$ 2,475,065	0.0%	\$ 1,934,595	127.9%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<u>Fiscal Year Ending</u>	<u>(a) Annual OPEB Cost</u>	<u>(b) Annual Contributed</u>	<u>(b/a) Percentage of Annual OPEB Costs Contributed</u>	<u>(a-b) Increase (Decrease) to Net OPEB Obligation</u>	<u>(PY + (a-b)) Net OPEB Obligation</u>
6/30/2011	\$ 160,908	\$ 20,423	12.7%	\$ 140,485	\$ 140,485
6/30/2012	\$ 158,404	\$ 24,118	15.2%	\$ 134,286	\$ 134,286
6/30/2013	\$ 233,771	\$ 44,399	19.0%	\$ 197,380	\$ 197,380

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Kermit A. Bourque  
Ascension Parish Clerk of Court  
Gonzales, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States, the financial statements of the governmental activities, the major fund, and the fiduciary fund of Ascension Parish Clerk of Court as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Ascension Parish Clerk of Court's basic financial statements, and have issued our report thereon dated October 22, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Ascension Parish Clerk of Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ascension Parish Clerk of Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Ascension Parish Clerk of Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Ascension Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Postthwait & Netterville*

Gonzales, Louisiana  
October 22, 2013

**ASCENSION PARISH CLERK OF COURT**

**SCHEDULE OF FINDINGS AND QUESTIONED COST**

**YEAR ENDED JUNE 30, 2013**

**SUMMARY OF AUDIT RESULTS**

1. The auditors' report expressed an unmodified opinion on the financial statements of Ascension Parish Clerk of Court.
2. No significant deficiencies relating to the audit of the financial statements are reported in the report on compliance and internal control.
3. No instances of noncompliance material to the financial statements of Ascension Parish Clerk of Court were disclosed during the audit.

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**COMPLIANCE**

None

**ASCENSION PARISH CLERK OF COURT**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2013**

**FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**COMPLIANCE**

None